VZCZCXRO9234 PP RUEHBI RUEHCI RUEHDBU RUEHLH RUEHNEH RUEHPW DE RUEHKA #0556 1541020 ZNY CCCCC ZZH P 031020Z JUN 09 FM AMEMBASSY DHAKA TO RUEHC/SECSTATE WASHDC PRIORITY 8930 INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE PRIORITY RUEHBK/AMEMBASSY BANGKOK PRIORITY 8574 RUEHLO/AMEMBASSY LONDON PRIORITY 2108 RUEHGO/AMEMBASSY RANGOON PRIORITY 2866 RUDKIA/AMCONSUL CHIANG MAI PRIORITY 0028 RUCNDT/USMISSION USUN NEW YORK PRIORITY 0162 RHHJJPI/PACOM IDHS HONOLULU HI PRIORITY RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY

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SUBJECT: THAI FOREIGN MINISTER ON BURMA AND BANGLADESH'S

POTENTIAL AS A TRANSPORTATION HUB

REF: NONE

Classified By: Ambassador James F. Moriarty. Reasons 1.4(b) and (d).

Summary

 (C) The government of Burma was nervous about the United Nations Security Council's (UNSC) statements in support of Aung San Suu Kyi (ASSK) and angry with Thailand for its vocal support of ASSK's release, according to visiting Thai Foreign Minister Kasit Piromya. The Foreign Minister also indicated that Thailand viewed Bangladesh as a potential transportation hub for exporting Thai goods.

Burma's Anger Towards Thailand over ASSK

¶2. (C) Visiting Thai Foreign Minister Kasit Piromya confided to the Ambassador that the Government of Burma was nervous about the UNSC's May 22 press statement and possible impending UNSC resolution. The press statement expressed concern over the latest trial of ASSK and called for her release, as well as the release of other political prisoners. At a June 2 lunch hosted by the Thai Ambassador, Piromya said Burma was also upset with the Government of Thailand for its significant role in influencing the UNSC to take this public stance on ASSK's trial for allegedly violating the terms of her house arrest. The Government of Thailand's attitude was to let Burma "stew" in the situation that it had created and watch how events unfolded.

Bangladesh's Transportation Hub Potential

13. (C) During the lunch, Piromya also indicated that Thailand viewed Bangladesh as having potential as a regional transportation hub for Thailand. If there was a northern transportation route through Thailand via Burma to Bangladesh, then Thailand could use the Chittagong Port to export goods.

Comment

14. (C) The Thai Foreign Minister is in Bangladesh for several days on a bilateral visit. He met June 2 with Bangladesh Prime Minister Sheikh Hasina, who, according to media reports stressed the importance of Bangladesh's inclusion in the Asian Highway to help Bangladesh's economic development. It is a positive sign that the Bangladesh Prime Minister is speaking openly about the potential for Bangladesh to serve as a transit country for trade.

Bangladesh has long resisted this concept because of suspicion about giving neighboring India greater access to its territory. This suspicion has prevented Bangladesh from capitalizing on the economic opportunities of transportation links with India and other countries. Even if Bangladesh does open up to transportation opportunities, Thailand would still face the challenges of transit in Burma if it wanted to get its products to Chittagong Port.
MORIARTY